REMARKS/ARGUMENTS

Favorable reconsideration of this application, as presently amended and in light of the following discussion, is respectfully requested.

Claims 1-4, 6-8 and 13-14 are pending in the present application. Claims 1-4, 6-8 and 13-14 are pending; and Claims 9-12, 16-19, 21-23 and 25-26 are canceled without prejudice or disclaimer by the present amendment. Support for the amended claims can be found at least at Fig. 5 and its corresponding description in the originally filed specification. No new matter is presented.

In the Office Action, Claims 4, 14, 19 and 23 are rejected under 35 U.S.C. § 101; and Claims 1-4, 6-14, 16-19, 21-23 and 25-26 are rejected under 35 U.S.C. § 103(a) as unpatentable over Heard et al. (U.S. 2006/0236363, herein Heard) in view of Dal Canto et al. (U.S. 2003/0217166, herein Dal Canto), Patel (U.S. 6,591,364) and Jaisimha et al. (U.S. 6,487,663, herein Jaisimha).

Applicants appreciatively acknowledge the courtesy extended by Examiner Sholeman and Primary Examiner Pyzocha in holding a personal interview with the undersigned on August 18, 2010. During the interview, an overview of the invention was presented and proposed claim amendments were discussed, which Examiner Sholeman and Primary Examiner Pyzocha agreed "... would overcome the prior art as cited." In response, independent Claims 1, 3-4, 6 and 13-14 are amended as discussed during the interview, and Applicants respectfully request that the outstanding rejection under 35 U.S.C. § 103 be withdrawn.

As discussed during the interview, independent Claims 1, 3-4, 6 and 13-14 are amended to recite more specific details of the iterative exchange of authentication data via response request commands and response messages, which are disclosed in an exemplary embodiment at Fig. 5 of the specification.

Application No. 10/528,562

Reply to Office Action of June 18, 2010

As agreed to during the interview, none of <u>Heard</u>, <u>Dal Canto</u>, <u>Patel</u> nor <u>Jaisimha</u>, alone or in combination, teach or suggest various features recited in independent Claims 1, 3-4, 6 and 13-14.

Accordingly, Applicants respectfully request that the outstanding rejection 35 U.S.C. § 103 be withdrawn.

Regarding the outstanding rejection under 35 U.S.C. § 101, Claims 4 and 14 are amended to include the term "non-transitory", as recommended in the outstanding Office Action.

Accordingly, Applicants respectfully request that the outstanding rejection under 35 U.S.C. § 101, be withdrawn.

Consequently, no further issues are believed to be outstanding in the present application, and the present application including Claims 1-4, 6-8 and 13-14 is believed to be in condition for formal allowance. Therefore, a Notice of Allowance is earnestly solicited.

Should the Examiner deem that any further action is necessary to place this application in even better form for allowance, the Examiner is encouraged to contact the undersigned representative at the below listed telephone number.

Respectfully submitted,

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